

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Southern California Gas Company (U 904 G) and San Diego Gas & Electric Company (U 902 G) for Authority to Revise their Curtailment Procedures.

Date: March 30, 2016

Application 15-06-020 (Filed June 26, 2015)

MOTION OF COMMERCIAL ENERGY FOR LEAVE TO LATE FILE RESPONSE TO THE MOTION OF SOUTHERN CALIFORNIA GAS COMPANY (U 904 G) AND SAN DIEGO GAS & ELECTRIC COMPANY'S (U 902 G) FOR INTERIM ORDER ESTABLISHING TEMPORARY DAILY BALANCING REQUIREMENTS

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Pursuant to Rule 11.1(b) of the Commission's Rules of Practice and Procedure,

Commercial Energy of California ("Commercial Energy") hereby submits this motion for leave
to file a late response to the *Motion of Southern California Gas Company (U 904 G) and San*Diego Gas & Electric Company's (U 902 G) for Interim Order Establishing Temporary Daily

Balancing Requirements ("Utilities' Motion"). Commercial Energy is concurrently filing a

motion to become a party to this proceeding pursuant to Rule 1.4.

On March 1, 2016, Southern California Gas Company ("SoCalGas) and San Diego Gas & Electric Company's ("SDG&E") (collectively, the "Utilities"), filed a motion in this Application ("A.") 15-06-020. In their motion, the Utilities requested authority to adopt a proposal that would temporarily modify SoCalGas's and SDG&E's gas tariffs and, particularly,

their respective Rule 30,<sup>1</sup> which contains the terms and conditions for the transportation of customer-owned natural gas in the Utilities' distribution system.

Commercial Energy is was not a party to this proceeding because the issues set forth in the *Assigned Commissioner's Scoping Memo and Ruling* did not initially appear to have a negative impact on Commercial Energy's operations. However, the Utilities' Motion would affect Commercial Energy's operations because, if granted, it would impose a strict 5 percent daily balancing requirement for the Utilities' natural gas transportation system customers and severe penalties for failure to meet those requirements. Commercial Energy is a customer of the Utilities. As a Core Transport Agent ("CTA"), Commercial Energy executes short- and long-term contracts with its core customers. The duration of the contacts range from one month to many years, and the contract price is set based on assumptions derived from the existing daily balancing requirements and penalties, among other factors. If the Commission grants the motion, CTAs and noncore service providers such as Commercial Energy would have no opportunity to factor the higher compliance risk into their contracts and adjust their prices based on the new daily imbalance requirements and related penalties.

The Utilities' Motion was served on the parties in the A. 15-06-020 service list on the same date that it was filed with the Commission (March 1, 2016). The fifteen-day period to file responses to the Utilities' Motion pursuant to Rule 11.1(3) has already expired. However, because Commercial Energy was not a party to this proceeding, it was not included in the service list and did not receive a copy of the motion at any time. Commercial Energy first learned about the filing of the Utilities' Motion when it was contacted by other CTA shippers, who reached out

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<sup>&</sup>lt;sup>1</sup> See SDG&E's Advice Letter 2037-G-A, Gas Rule No. 30-- Transportation of Customer-Owned Gas, Revised Cal. P.U.C. Sheet No. 18869-G (effective Oct. 1, 2011) (hereafter "SDG&E's Gas Rule 30"); SoCalGas's Advice Letter 4240, Rule No. 30-- Transportation of Customer-Owned Gas, Revised Cal. P.U.C. Sheet No. 47193-G (effective June 5, 2011) (hereafter "SoCalGas' Rule 30").

to Commercial Energy after the deadline to file responses to the motion had expired.

Commercial Energy has promptly filed for party status and for leave to file a response

immediately after it was alerted to the nature of the Utilities' Motion and had an opportunity to

assess the potential negative effects of the Utilities' proposal on its operations and end-customers

in the Southern California region.

Under these circumstances, granting Commercial Energy's leave to file a late response to

the Utilities' Motion is justified. The Commission should consider Commercial Energy's

perspective in their deliberations regarding the temporary modifications to the daily balancing

requirements and the remaining proposed tariff changes. Commercial Energy's concerns

regarding the Utilities' Motion are in line with the responses provided by other customers of the

two utilities. Thus, granting Commercial Energy's motion will cause no undue hardship or

prejudice to any other party.

For these reasons, Commercial Energy respectfully moves for leave to late file its

response to the Utilities' Motion.

Respectfully submitted this 30<sup>th</sup> day of March, 2016 at San Francisco, California.

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